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February 17, 2021

VIA ELECTRONIC FILING

The Honorable Jocelyn Boyd
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29211

Re: **Duke Energy Carolinas, LLC's and Duke Energy Progress, LLC's
Establishment of Solar Choice Metering Tariffs Pursuant to S.C. Code Ann.
Section 58-40-20 (Dockets 2020-264-E & 2020-265-E)**

Dear Ms. Boyd:

Attached for filing is Duke Energy Carolinas, LLC's And Duke Energy Progress, LLC's First Set Of Requests For Admission, Requests For Production Of Documents, And Interrogatories To The South Carolina Office Of Regulatory Staff.

By copy of this letter, we are also serving the parties of record with a copy of the aforementioned documents and attached certificate of service.

If you have any questions, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in blue ink that reads 'Ashley Cooper'.

Ashley Cooper
*Attorney for Duke Energy Carolinas, LLC and
Duke Energy Progress, LLC*

JAC/hmp
Enclosure

cc: Thadeus B. Culley
Jeffrey W. Kuykendall
Peter Ledford
R. Taylor Speer
Benjamin Mustian
Roger P. Hall

Carri Grube-Lybarker
Robert R. Smith, II
Andrew Bateman
Jeffrey M. Nelson
Jenny Pittman
Kate L. Mixson
Bess Durant

THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKET NO. 2020-264-E

DOCKET NO. 2020-265-E

In the Matter of:

Duke Energy Carolinas, LLC's and Duke
Energy Progress, LLC's Establishment of
Solar Choice Metering Tariffs Pursuant
to S.C. Code Ann. Section 58-40-20

CERTIFICATE OF SERVICE

This is to certify that I have caused to be served on this day one (1) copy of **DUKE ENERGY CAROLINAS, LLC'S AND DUKE ENERGY PROGRESS, LLC'S FIRST SET OF REQUESTS FOR ADMISSION, REQUESTS FOR PRODUCTION OF DOCUMENTS, AND INTERROGATORIES TO THE SOUTH CAROLINA OFFICE OF REGULATORY STAFF** via electronic mail upon the persons named below, addressed as follows:

Carri Grube – Lybarker
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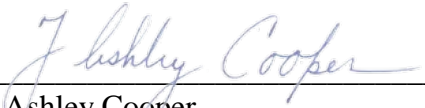
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Dated this 17th day of February, 2021.



J. Ashley Cooper

THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKET NO. 2020-264-E

DOCKET NO. 2020-265-E

In the Matter of:	)	DUKE ENERGY CAROLINAS,
	)	LLC'S AND DUKE ENERGY
Duke Energy Carolinas, LLC's and Duke	)	PROGRESS, LLC'S FIRST SET
Energy Progress, LLC's Establishment of	)	OF REQUESTS FOR
Solar Choice Metering Tariffs Pursuant	)	ADMISSION, REQUESTS FOR
to S.C. Code Ann. Section 58-40-20	)	PRODUCTION OF
	)	DOCUMENTS, AND
	)	INTERROGATORIES TO THE
	)	SOUTH CAROLINA OFFICE OF
	)	REGULATORY STAFF

Duke Energy Carolinas, LLC ("DEC") and Duke Energy Progress, LLC ("DEP") (together, "Duke Energy" or the "Companies"), by and through their legal counsel, pursuant to S.C. Code Ann. Regs. §§ 103-833 and 103-835, and the South Carolina Rules of Civil Procedure ("SCRCP"), hereby serves The South Carolina Office of Regulatory Staff ("ORS") with the following First Set of Requests for Admission, Requests for Production, and Interrogatories to be answered under oath.

Further, please take notice that this First Set of Requests for Admission, Requests for Production, and Interrogatories (collectively, the "Requests") is continuing in nature until the date of the hearing, and that any information or responsive materials identified after your responses have been served upon the undersigned counsel should be provided via supplemental discovery responses as soon as possible after such identification.

INSTRUCTIONS

1. Please produce the requested documents as they are kept in the usual course of business and organize and label them to correspond with the categories in the Request. Documents attached to each other should not be separated.

2. In producing documents, furnish all documents known or available to you, regardless of whether such documents are possessed directly by you or your agents, employees, representatives, investigators, or by your attorneys. All requests for documents specifically request documents of the ORS as well as Mr. Brian Horii, whom you have retained to provide expert testimony in these proceedings.

3. If any document otherwise responsive to any Request was, but is no longer, in your possession, subject to your control or in existence, identify each document by listing its author(s) and addressee(s), date, subject matter, whether the document(s) or copies are still in existence (and if so, their locations and the custodians), as well as whether the document is missing or lost, has been destroyed, has been transferred voluntarily to others, or has been otherwise disposed of. In each instance, explain the circumstances surrounding such disposition and identify the person(s) directing or authorizing its destruction or transfer, and the date(s) of such direction or authorization.

4. If a privilege not to answer a Request is claimed, identify each matter as to which the privilege is claimed, the nature of the privilege, and the legal and factual basis for each such claim.

5. If a refusal to answer is based upon the grounds that same would be unduly burdensome, identify the number and nature of documents needed to be searched, the location of the documents, and the number of hours and costs required to conduct the search.

6. Unless otherwise stated, the relevant time period for these Requests is from January 1, 2020, until the present.

7. Each Request shall be reproduced at the beginning of the response thereto.

8. Please provide copies of the information responsive to each Request in native electronic working format with all data (including source data) and formulas intact in an unprotected and unlocked form to allow auditing and verification of inputs, methods, and formulas.

9. Any inquiries or communication relating to questions concerning clarifications be directed to the undersigned.

10. Please construe “and” as well as “or” either disjunctively or conjunctively as necessary to bring within the scope of these Requests any information which might otherwise be construed outside their scope.

11. Please provide responses to the Requests electronically. To the extent this is impracticable, the responses, including any responsive documents, should be provided at the offices of Parker Poe Adams & Bernstein LLP, 200 Meeting Street, Suite 301, Charleston, South Carolina 29401, or some mutually convenient location otherwise agreed to by the parties.

DEFINITIONS

1. **“Commission”** means the Public Service Commission of South Carolina.

2. **“Communication”** means the transmittal of information in the form of facts, ideas, documents, inquiries, or otherwise, including every discussion, conversation, conference, or telephone call.

3. **“You”** and **“your”** means the ORS, the ORS’s witness in this proceeding, including Mr. Brian Horii, and all of its members, agents, representatives and attorneys.

4. **“Dockets”** means, collectively, Commission Docket Nos. 2020-264-E and 2020-265-E.

5. The term **“document”** is to be construed as broadly as permissible under Rule 34 of the SCRCP and includes, but is not limited to, any written, recorded or graphic matters whatsoever and all non-identical copies thereof, including but not limited to papers, books, records, letters, photographs, correspondence, communications, electronic mail, text messages, social media records, telegrams, cables, telex messages, evidences of payment, checks, memoranda, notes, notations, work papers, transcripts, minutes, reports, recordings of telephone or other conversations, statements, summaries, opinions, studies, analyses, evaluations, contracts, agreements, jottings, agendas, bulletins, notices, announcements, advertisements, guidelines, charts, manuals, brochures, publications, schedules, price lists, subscription lists, customer lists, journals, statistical reports, desk calendars, appointment books, diaries, lists, tabulations, newsletters, drafts, proofs, galleys, or other prepublication forms of materials, telephone lists or indexes, rolodexes, computer printouts, data processing program libraries, data processing input and outputs, microfilm, microfiches, CD-ROMs, books of account, records or invoices reflecting business operations, all records kept by electronic, photographic, or mechanical means, any notes or drafts relating to any of the foregoing, and any other documents as defined in Rule 34 of the SCRCP of any kind in your possession, custody or control or to which you have access or knowledge of its existence.

6. **“Identify,”** when referring to documents, means to give, to the extent known, the (i) type of document; (ii) general subject matter; (iii) date of the document; and (iv) authors, addressees and recipients.

7. **“Identify,”** when referring to an oral Communication, means to give, to the extent known, the identity of the speaker and of each Person who was present when the Communication was spoken, and the substance, date, and place of such Communication.

8. **“LOLE”** means Loss of Load Expectation.

9. **“NEM”** means net energy metering.

10. **“Person”** means any natural person or any business, legal, or governmental entity or association.

11. **“Solar Choice Tariffs”** mean the tariffs proposed by the Companies in the Dockets.

12. The terms **“related to”** and **“relating to”** or any variation thereof shall be construed to include refer to, summarize, reflect, constitute, contain, embody, mention, show, comprise, evidence, discuss, describe, comment on, concerning, regarding, eluding to, pertaining to, probative of, in connection with, dealing with, in respect of, about, involved, identifying or proving.

REQUESTS FOR ADMISSION

1-1. Admit that the Solar Choice Tariffs reduce cost-shift relative to the Companies' existing NEM tariffs.

RESPONSE:

INTERROGATORIES

1-1. To the extent you denied any Request for Admission above, for each Request for Admission denied, state separately, with particularity and in detail, the basis and reasons for such denial.

ANSWER:

1-2. Referring to the statement in Mr. Horii's direct testimony beginning at Page 4, Line 3, that "I find fault with the embedded cost of service ('COS') studies Duke used as evidence that it has fulfilled the requirements of Act 62 to eliminate cost shift and subsidization 'to the greatest extent practicable'" please:

- a. Identify regulatory proceedings in any jurisdiction where embedded cost allocators were used to evaluate cost-shift in the NEM context that deviated from those allocators used in the most recent base rate setting proceeding.
- b. Identify circumstances outside the NEM context where it is appropriate for the utility to use embedded cost allocators which have not been approved by the state regulatory commission.
- c. Identify regulatory proceedings in any jurisdiction in which the circumstances identified in response to request 1-4(b) have occurred.
- d. Identify regulatory proceedings in any jurisdiction that have utilized LOLE for allocating embedded generation or transmission costs as a cost to serve allocator.

- e. Describe in detail and with specificity your involvement, if any, in each of the proceedings identified in 1-2(a), 1-2(c), or, 1-2(d).

ANSWER:

1-3. Referring to the statement in Mr. Horii's direct testimony beginning at Page 15, Line 6, that "it would be useful for Duke to produce cost shift estimates for the Commission that use winter 1CP for generating and transmission capacity" please:

- a. Identify all documents evidencing that the ORS would support a winter 1CP methodology for allocating embedded generation and transmission capacity in the Companies' next base rate cases.
- b. Explain what other potential allocation methods the ORS is willing to support other than the winter 1CP in the Companies' next base rate cases.
- c. Describe in detail and with specificity the basis for your answer to 1-3(b).

ANSWER:

1-4. Referring to the statement in Mr. Horii's direct testimony beginning at Page 18, Line 14, that Duke should "submit new embedded COS studies" please:

- a. Describe in detail and with specificity the exact methodology you recommend Duke use for these "new embedded COS studies."
- b. Explain whether you believe that Duke should use an allocator based on LOLE or a 1 Winter CP.

- c. Describe in detail and with specificity the basis for your answer to 1-4(b).
- d. Describe in detail and with specificity the methodology by which you recommend that Duke produce a cost-shift analysis without reallocating costs to each customer class to produce new unit cost numbers.

ANSWER:

1-5. Referring to the statement in Mr. Horii's direct testimony beginning at Page 22, Line 7, that "those cost reductions are essentially going to be passed to the customer-generators, with nothing left to reduce the cost burden for non-solar customers" please:

- a. Describe with detail and specificity how the Solar Choice Tariffs pass these cost reductions to customer-generators.

ANSWER:

1-6. Referring to the statement in Mr. Horii's direct testimony beginning at Page 26, Line 15, that "[t]he MOU's binding agreements may . . . prevent the sharing of useful information in this proceeding" please:

- a. Identify all documents that support this statement.
- b. Identify all "useful information" that you have requested and have not been provided.
- c. Identify regulatory proceedings in any jurisdiction in which Mr. Horii has consulted or provided expert services, analysis, or

testimony for an organization that was a party to a settlement submitted in such proceeding.

- d. Identify regulatory proceedings in any jurisdiction in which Mr. Horii submitted testimony in support of a settlement.

ANSWER:

1-7. Referring to the statement in Mr. Horii's direct testimony beginning at Page 36, Line 3, that "the Cost Duration Method incorrectly assigns the majority of the generation capacity value to the off-peak period" please:

- a. Explain whether Mr. Horii recommends that all generation capacity costs be assigned to one hour or a few top hours in the TOU rate design.
- b. Describe in detail and with specificity the basis for your answer to 1-7(a).
- c. Explain whether Mr. Horii recommends that all generation capacity costs be assigned to the critical peak pricing hours, given those hours contain the majority of the LOLE.
- d. Describe in detail and with specificity the basis for your answer to 1-7(c).
- e. Describe in detail and with specificity, in Mr. Horii's experience, how customers typically respond to a rate design that compresses all costs into a few top hours.

ANSWER:

1-8. Referring to the statement in Mr. Horii's direct testimony beginning at Page 36, Line 12, that "LOLE is the accepted method for allocating generation capacity avoided costs," please:

- a. Describe in detail and with specificity any other method aside from LOLE that would be correct for allocating these costs.
- b. Identify regulatory proceedings in any jurisdiction where LOLE has been used to allocate embedded generation or transmission costs.

ANSWER:

1-9. Referring to the statement in Mr. Horii's direct testimony beginning at Page 37, Line 8, that "Duke does not start with correct cost information for DEP" please:

- a. Identify all documents that support the notion that Duke provided incorrect information in the Dockets.

ANSWER:

1-10. Referring to the Mr. Horii's statement on Page 9, Line 1, that "correctly reflect[ing] the shift of the DEC and DEP system peaks to the winter will eliminate most of the claimed generation and transmission capacity savings and highlight the substantial cost shift contained in the proposed Permanent Tariffs" please:

- a. Identify all spreadsheets and workpapers (including underlying data) that support this statement.

ANSWER:

1-11. Referring to Mr. Horii's reference to "zero cost shift tariffs" on Page 29, Line 9, please:

- a. Identify all spreadsheets and workpapers (including underlying data) created, referred to, or relied upon in developing these "zero cost shift tariffs" including an estimate of any bill amounts that these tariffs would produce.

ANSWER:

REQUESTS FOR PRODUCTION

1-1. Please produce any and all documents identified, referred to, or relied upon in preparing your response to the Requests.

RESPONSE:

1-2. Please produce any and all communications identified, referred to or relied upon in preparing your response to the Requests.

RESPONSE:

1-3. Please produce all communications between the ORS and Astrapé Consulting related to DEC and DEP's 2016 Resource Adequacy Studies.

RESPONSE:

Dated this 17th day of February, 2021.

/s/ Ashley Cooper, Esq.
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*Attorney for Duke Energy Carolinas,
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